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TRADE AND DEVELOPMENT BOARD
Standing Committee on Developing Services Sectors:
Fostering Competitive Service Sectors
in Developing Countries
Second Session
Geneva, 18 July 1994
Item 2 of the provisional agenda

ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

Provisional agenda and annotations to the provisional agenda

Note by the UNCTAD secretariat

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9. Adoption of the report of the Standing Committee to the Trade and Development Board.

II. ANNOTATIONS TO THE PROVISIONAL AGENDA

Item 1: Election of officers

In accordance with the arrangements for the Bureaux of the Standing Committees endorsed by the Trade and Development Board at the first part of its thirty-ninth session (c.f. TD/B/39(1)/15, para. 512), the officers of the Standing Committees "should be elected in accordance with the applicable rules of procedure, taking into account the principles of equitable geographical distribution and rotation." In line with those arrangements, the Standing Committee is required to elect a Chairman, five Vice-Chairmen and a Rapporteur to constitute the Bureau of its second session.

Item 2: Adoption of the agenda and organization of work

The provisional agenda for the second session of the Standing Committee was approved by the second (pre-sessional) executive session of the Trade and Development Board (cf. TD/B/EX(2)/2, para. 31).

A proposal for the organization of work of the second session is given in section III below.

Item 3: Progress report by the secretariat on the implementation of the work programme of the Standing Committee

The Standing Committee will have before it the "Progress report by the secretariat on the implementation of the work programme of the Standing Committee" (TD/B/CN.4/25), covering the preliminary phase of activities under items (2), (3), and (4) of the Work Programme. It has been prepared with a view to facilitating the tasks of the Committee, as well as to seeking guidance from the Committee with respect to the future orientation of work. The Progress Report discusses the possibility of convening an intergovernmental group of experts charged with elaborating a detailed study programme as well as guiding the Committee with respect to its mandate under item 3(e) of the Work Programme, i.e. to examine ways of enhancing access to and use of information networks and distribution channels. An addendum to the Progress Report has been prepared to help initiate the work of the Committee on item 3(g) by analysing the main provisions of the General Agreement on Trade in Services (GATS) - of crucial interest to developing countries - and identifying elements for the evaluation of the impact of progressive liberalization achieved through the adoption of the GATS and the negotiation of specific commitments.

Item 4: Promoting transparency

Item 4 (i): Development of a conceptual framework for the collation and compilation of internationally comparable statistics (Work programme, item 2(a))

The Uruguay Round multilateral negotiations for a draft General Agreement on Trade in Services (GATS) have given rise to new conceptual and technical implications for statistics on trade in services, arising from the multilaterally agreed definition for service trade which includes four modes of delivery: "cross-border", "movement of consumer", "commercial presence" and "movement of natural persons". The Standing Committee may wish to explore ways to collect information on efforts by member Governments and academic institutions aimed at developing methodologies for estimating trade carried out through the four modes

of delivery. The secretariat has prepared a background note on the "Concept of services trade statistics" (UNCTAD/SDD/SER/1). The note discusses the work of agencies involved with services statistics, in general, and trade in services, in particular, and reviews progress towards a conceptual framework at the international and national levels.

Item 4 (ii): The collection and dissemination of information on measures, including laws and regulations, affecting the access of services and service suppliers to world markets, including consideration of the possibility of a computerized database (Work programme, item 2(b))

The Standing Committee will have before it a report entitled "Database on measures affecting service trade" (TD/B/CN.4/26). The report investigates the rationale and utility of a database in this area, describes the basic features and the inputs required, and discusses issues and anticipated difficulties pertaining to the collection and management of data. It also identifies options for building the database and for the organization of the work involved. To facilitate discussions in the Standing Committee, a prototype database is being prepared for demonstration to interested delegations during the session.

Item 5: Fostering competitive services sectors

(a) Comparative analysis

A comparative analysis of services sectors in developing countries (Work programme, item 3(a))

The Standing Committee will have before it "A comparative analysis of services sectors in developing countries" (TD/B/CN.4/23). The analysis draws on previous work of UNCTAD, as well as on specific studies being carried out under item 3 of the work programme. It is intended as a point of departure for work by the Committee on identifying elements for possible policy options aimed at achieving the objectives of the Cartagena Commitment in the area of services. The members of the Committee may wish to make oral presentations on national experiences concerning: (i) policies and strategies to enhance the domestic services sector, including subregional and regional cooperation; (ii) difficulties faced in exporting services; (iii) domestic regulations and measures affecting trade in services; (iv) studies undertaken in member countries on the development of and trade in services. The Committee has also been called upon to assess weaknesses and capabilities of developing countries in specific services sectors, on the basis of studies by the secretariat and information provided by member States, private sector entities and non-governmental organizations. In carrying out this task, the Committee may wish to give particular attention to an assessment of the impact of progressive liberalization of service imports in the development of competitive services sectors, and to an examination of the difficulties which prevent developing countries from increasing their participation in world trade in services (item 3(g) of the Work programme).

(b) Specific studies

Item 5(i): The impact of subsidies on trade in services, especially on the exports of developing countries (Work programme, item 3(d))

Under this item, the Standing Committee may wish to discuss such issues as (i) subsidies on production and trade in services; (ii) service sectors where subsidies may be having a major impact on trade of developing countries; (iii) an approach for identifying subsidies in the service sector; (iv) the problems involved in calculating the impact of subsidies on trade in services; (v) the approach of certain countries to treating the problems of subsidies in the services sector. The secretariat has prepared a background note entitled "Impact

of subsidies on trade in services" (UNCTAD/SDD/SER/3).

Item 5(ii): Temporary movement of persons as services suppliers (Work programme, item 3(h))

The Standing Committee will have before it a report entitled "Temporary movement of persons as services providers" (TD/B/CN.4/24). The report describes the "problematique" of trade in services through the temporary movement of natural persons, and examines: (i) the importance of the temporary movement of persons from developing countries; (ii) the sectors where such temporary movement is important; (iii) the general characteristics of immigration laws pertaining to the temporary movement of services suppliers, including the identification of sectors which tend to benefit from relatively more liberal treatment; and (iv) international, regional, subregional and bilateral agreements dealing with the movement of persons. The report offers suggestions for consideration by the Committee regarding further work to identify the possibilities for developing countries to export services through temporary movement of persons.

Item 5(iii): Analysis of on-going processes of recognition and harmonization of qualifications (Work programme, item 3(i))

In addressing this sub-item, the Standing Committee may wish to review initiatives taken at both government and private sector levels to achieve harmonization and recognition of qualifications, as well as laws and regulations in the professional service sector, highlighting those inherent to qualifications and standards. The Committee may wish to examine in greater detail how trade in professional services takes place, with a view to identifying priority sectors for harmonization and recognition of qualifications as well as desirable policy options for developing countries in dealing with this issue. The secretariat has prepared a background note entitled "Harmonization and recognition of professional qualifications" (UNCTAD/SDD/SER/2).

Item 5(iv): Regional, subregional and interregional cooperation on services (Work programme, Item 3(j))

Under this item, the Standing Committee is expected to identify and analyse policies aimed at the promotion of regional, subregional and interregional cooperation in services, including among countries at different levels of economic development. The Standing Committee will have before it a submission by the Andean Pact secretariat (TD/B/CN.4/Misc.4), which describes its initiatives to include services in the Pact's integration efforts. It is expected that similar submissions will be made by other subregional and regional groupings.

Item 6: Technical cooperation

UNCTAD has been providing technical cooperation to developing countries for the development of their services sectors for a number of years. The Cartagena Commitment called for the work programme of the secretariat to focus on "technical cooperation, at the national, regional, and multilateral levels, to support and assist developing countries in identification of their weaknesses and capabilities in the services sector and to make their services sector more competitive" (para. 185(k)). The Committee will consider a report by the secretariat which contains suggestions as to where technical cooperation in services should be strengthened (TD/B/CN.4/25).

Item 7: Provisional agenda for the third session of the Standing Committee

A draft provisional agenda for the third session of the Standing Committee will be before the Committee for its consideration.

Item 8: Other business

Item 9: Adoption of the report of the Standing Committee to the Trade and Development Board

Paragraph 15 of the terms of reference of the Standing Committee states that the Committee "shall submit periodic reports to the Trade and Development Board on its work".

III. TENTATIVE ORGANIZATION OF WORK

Monday, 18 July	a.m.	Opening of the session
		Item 3: Progress report by the secretariat on the implementation of the work programme of the Standing Committee
		Item 4: Promoting transparency
	p.m.	Item 4 (continued)
Tuesday, 19 July	a.m.	Item 4 (continued)
		Item 5: Fostering competitive services sectors
	p.m.	Item 5 (continued)
Wednesday, 20 July	a.m.	Item 5 (continued)
	p.m.	Item 6: Technical cooperation
Thursday, 21 July	a.m.	Conclusion of consideration of items 3, 4, 5 and 6
	p.m.	No meeting, to allow time for the preparation of the draft report
Friday, 22 July	a.m.	Idem.
	p.m.	Items 3, 4, 5 and 6 (concluded)
		Item 7: Provisional agenda for the third session of the Standing Committee
		Item 8: Other business
		Item 9: Adoption of the report of the Standing Committee to the Trade and Development Board